

Solna, April 2018

H.E. António Guterres
Secretary-General
United Nations
New York, NY 10017
USA

Communication on Progress

Dear Mr. Secretary-General,

We would like to take this opportunity to reconfirm our support of the UN Global Compact and our commitment to the ten principles with respect to human rights, labour, environment and anti-corruption. Our commitment implies a continuous evaluation of our efforts within the field of corporate social responsibility and is an integral part of the daily work within our company.

In order to reach as many of our stakeholders as possible with our Communication on Progress, we have continued to submit our sustainability report as an integrated part of our Annual Report (enclosed). This year's report is the second in which Faberge is applying integrated reporting with the Annual Report in accordance with GRI G4 Core. Our sustainability goals are found on page 14 and the GRI-index on page 98-99. The Annual Report is also available on our website (www.faberge.se).

We are pleased to share our sustainable highlights in 2017 with you:

- Green Leases accounted for 94 per cent of total space under newly signed leases.
- 47% of all our loans are now green
- One of the seven major new production projects was certified with the expected result. In 2017, 13 BREEAM In-Use certifications were completed.
- We have replaced our entire fleet of cars with electric cars, which has cut emissions of carbon dioxide from urban driving from around 6,500 kg to roughly 141 kg per year.
- Our focus on more efficient purchasing processes continues. At year end suppliers of 75 per cent of the total purchasing volume had been sustainability examined.

Pro-active environmental work and to clearly state our high standards within business ethics are success factors for us and we will continue our efforts within this field during 2018. During 2017 we took a comprehensive approach to employee health, considering the wellbeing of the whole individual, both physical and mental. During the year we have been proactive about boosting our employees' knowledge within a broad spectrum of health issues, to encourage long-term healthy lifestyles and motivated individuals. One initiative is a series of information sessions featuring compulsory talks within four key aspects of health: Physical Activity, Diet, Rest/Recovery and Relationships.

Sincerely yours,



Christian Hermelin, CEO Faberge AB (publ)